

REVENUE DEPARTMENT[701]

Notice of Intended Action

Proposing rule making related to department contact information updates and providing an opportunity for public comment

The Revenue Department hereby proposes to amend Chapter 25, “Challenges to Administrative Levies and Publication of Names of Debtors,” and Chapter 262, “Administration of Marijuana and Controlled Substances Stamp Tax,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code chapter 453B and sections 421.14, 421.17A and 421.17B.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 453B and sections 421.17A and 421.17B.

Purpose and Summary

This proposed rule making removes an outdated mailing address for submitting challenges to administrative levy actions and replaces the address with references to electronic communication options and the Department’s website. Additionally, this rule making updates the location at which to purchase a drug tax stamp.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—7.28(17A).

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on January 3, 2023. Comments should be directed to:

Nick Behlke
Department of Revenue
Hoover State Office Building
P.O. Box 10457
Des Moines, Iowa 50306
Phone: 515.336.9025
Email: nick.behlke@iowa.gov

Public Hearing

If requested, a public hearing at which persons may present their views orally or in writing will be held as follows:

January 3, 2023
11 a.m.

Via video/conference call

Persons who wish to participate in the video/conference call should contact Nick Behlke by 8:30 a.m. on January 3, 2023, to facilitate an orderly hearing. A video link or conference call number will be provided to participants prior to the hearing.

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend rule 701—25.5(421) as follows:

701—25.5(421) Issues that may be raised.

25.5(1) The issues raised by the challenging party, which are limited to a mistake of fact, may include but are not limited to:

1. a. The challenging party has the same name as the obligor but is not the correct person.

2. b. The challenging party does not have an interest in the account that is being seized.

3. c. The amount listed in the notice to the obligor is greater than the amount actually owed.

4. **25.5(2)** The written challenge must be sent by electronic means, including email or online as indicated on the department's notice, or mailed to: Centralized Collection Facility, P.O. Box 6128, Des Moines, Iowa 50309, the central collections unit at the address found on the department's website at tax.iowa.gov/mailing-addresses with adequate postage.

ITEM 2. Amend **701—Chapter 25**, implementation sentence, as follows:

These rules are intended to implement Iowa Code ~~Supplement~~ sections 421.17 and 421.17A.

ITEM 3. Amend rule 701—262.2(453B) as follows:

701—262.2(453B) Sales of stamps. The director or the director's authorized representative shall offer for sale to members of the public, during normal business hours, stamps which are capable of being affixed to taxable substances. The stamps shall be sold at the Hoover State Office Building, ~~fourth floor~~ First Floor, Des Moines, Iowa, and at other locations as may be designated by the director.

The director shall offer for sale four different stamps: (1) a stamp for a substance consisting of or containing marijuana, (2) a stamp for taxable substances other than marijuana which are sold by weight, (3) a stamp for taxable substances other than marijuana which are not sold by weight, and (4) a stamp for each unprocessed marijuana plant. Each package or container which contains a taxable substance must have a stamp affixed to it. The stamps will be issued in denominations requested by the purchaser so long as the minimum purchase price for a single stamp purchase transaction is \$215 or more. In addition, the denomination of individual stamps cannot be less than the price for ten dosage units, multiples of ten dosage units, one whole gram, or multiples of one gram even if the stamp will be affixed to a package

containing less than ten dosage units or multiples thereof, or only a portion of one gram or multiples thereof.

The director will accept payment for stamps in the form of cash, cashier's check, or money order. Payment may not be made by personal check.

The stamps are valid for a period of six months from the date of issuance², and the stamps shall contain a statement that the stamps expire after six months from the date of issue. A stamp is "unused" and expires if it has not been affixed to taxable substances within six months of the date of issue.

Stamps may be purchased in person or by mail. Persons (including dealers) purchasing stamps are not required to provide identification such as their name or address when purchasing stamps. Neither the director nor any employee of the department shall reveal any information obtained from a stamp purchaser, nor shall information obtained from a stamp purchaser in the course of purchasing stamps be used against the stamp purchaser in any criminal proceeding, unless the information is independently obtained, except in connection with a proceeding involving taxes due under this chapter from the stamp purchaser against whom a tax was assessed.